

Emergency Rail Funding

The House Feb. 20 passed by a 273-134 vote the legislation (H J Res 210) appropriating supplemental funds in fiscal 1975 for bankrupt Northeast and Midwest railroads. (Vote 11, p. 414)

The bill contained \$125-million in interim operating assistance for the bankrupt railroads, with the bulk of the money going to Penn Central Railroad. The Erie Lackawanna Railroad would get the second largest amount, approximately \$25-million.

The railroads had exhausted interim funds provided by the 1973 Regional Rail Reorganization Act and had said they would have to cease operations if additional funds were not appropriated. (1973 Act, 1973 Almanac p. 465)

H J Res 210 also contained \$17.2-million for the renovation and maintenance of a vacated Federal Bureau of Investigation building that the House leadership wanted for additional office space.

An amendment adding the \$25-million for the Erie Lackawanna Railroad was adopted by voice vote, the only change made in the bill on the floor.

A second amendment, proposed by J. Edward Roush (D Ind.), to delete the funds for renovating the former FBI building, was rejected by a 170-236 vote. (Vote 10, p. 414)

Committee Report

The House Appropriations Committee reported H J Res 210 (H Rept 94-14) Feb. 18. The committee said the \$100-million appropriation—the same as that requested by the administration—was necessary to ensure that operations of the Northeast and Midwest railroads would not cease in February. "Cessation...would be felt by manufacturers and consumers who rely on the railroads for shipment of raw materials and finished products," the committee wrote. "Employment losses of this magnitude associated with a rail shutdown would contribute to the critical economic situation."

Allocation of Funds

The committee did not earmark the allocation of the funds by railroad, although it said it expected Penn Central to receive the largest amount. Instead, funds would be available to all railroads covered by the Regional Rail Reorganization Act as well as for maintenance of passenger service in the Northeast corridor.

The committee said that with enactment of the \$100-million appropriation, Congress would have provided a total of \$485-million in grants and guaranteed loans to the affected railroads since Jan. 1, 1974. In testimony before the committee, a Department of Transportation spokesman said there would be no objection to an additional \$25-million appropriation for the bankrupt Erie Lackawanna Railroad. No request for this had been submitted to the committee, however.

The appropriation was opposed by committee member William L. Armstrong (R Colo.), who said it contributed nothing to a solution of the railroads' problem. "This legislation merely shovels another \$100-million into a quagmire which has already consumed hundreds of millions and will probably cost billions within a few years," Armstrong said in additional views. "Until we're ready to cope with the problem, it seems irresponsible to pour more money into the railroads and...subsidize the very conditions and practices that wrecked them in the first place."

House Office Space

The committee also recommended \$17,175,000 for costs associated with converting a federal office building being vacated by the Federal Bureau of Investigation for use by the House. The committee said conversion of the building would add 432,840 square feet of office space; it estimated that a total of 1,037,500 square feet was needed. The appropriation was to be used for remodeling, maintenance, security and equipment costs.

PER DIEM ALLOWANCE

House—Feb. 18, by unanimous consent, recommended to the Government Operations Committee HR 2302, to increase the per diem travel allowance of government employees and to extend it to senators and their personal staffs.

As reported by the committee Feb. 6 (H Rept 94-5), the bill would have amended Senate rules to allow senators and their aides to collect \$35 per diem in expenses while traveling to, from and within their home states. Only employees of Senate committees may receive per diem allowances.

Rep. Jack Brooks (D Texas), chairman of the Government Operations Committee, requested that the bill be returned to his committee after it had been disclosed that HR 2302 would have made the allowance available to senators and their staffs.

The measure came to the floor on the suspension calendar, which meant that it could not be amended on the floor.

Rep. Les Aspin (D Wis.) Feb. 17 had sent letters to all members disclosing the added benefits to senators. "The House has got to be kidding," he said. "The new freebie will allow senators while they are out campaigning to rake off an extra \$35 daily bonus."

Committee Action

The bill as introduced increased the per diem allowances for federal employees from \$25 to \$35 and raised the maximum allowances for government travel outside the United States.

The committee amended HR 2302 to include the allowances for senators and staff. The amendment was identical to a provision in a similar bill (S 3341) that was passed in the 93rd Congress but vetoed by President Ford. (Weekly Report p. 103)

Earlier Action

The provision had been added to S 3341 by Sen. Charles H. Percy (R Ill.) in the closing days of the 1974 session. According to Senate aides, the Percy amendment was intended to cover only a senator's personal staffs, not senators themselves. But subsequently a legislative drafting error gave senators the per diem allowance as well.

S 3341 including the Percy amendment was pocket vetoed by Ford after it had been cleared Dec. 17, 1974. This version also extended the allowance to disabled veterans traveling to Veterans Administration facilities.

Ford had vetoed HR 2302 on grounds that extending the per diem to disabled veterans would be inflationary. He did not object to the per diem allowances for senators. The new bill did not make disabled veterans eligible for the benefits.

Staff aides to the Government Operations Committee said now hearings would be held on the bill before the House. The bill is reported a second time.